

Robert L. Schulz  
2458 Ridge Road  
Queensbury, NY 12804

May 6, 2016

**VIA USPS PRIORITY MAIL**

Ms. Jacquelyne Yarbrough  
Manager, Accounts Management  
Internal Revenue Service  
IRS, STOP 6525  
Kansas City, MO 64999-0025

Re: 0342876785

Dear Ms. Yarbrough

I am in receipt of your letter dated April 28, 2016 (copy attached) in which you say my claim for refund cannot be given consideration because only \$1,000 has been paid.

On December 19, 2014, I participated in a teleconference with my attorney, Samuel Lambert, IRS Revenue Agent David A. Gordon and Mr. Gordon's manager Chris, whose last name I understood to be "Delecazoto."

I had received a letter from Mr. Gordon that the IRS was contemplating a significant assessment against me (a \$1,000 penalty for each of 225 documents I had mailed to people in 2003 for a total assessment of \$225,000) pursuant to Section 6700 of the Internal Revenue Code.

During the teleconference, Mr. Lambert explained why he believed the IRS should give me an opportunity to present my evidence to the IRS about receiving no income from the alleged underlying activity before the IRS concluded whether it was appropriate to assess any amount against me pursuant to Section 6700.

During the teleconference, Mr. Lambert explained that it was unfair to assess such a large amount against me and to require me to pay 15% of a large penalty before giving me an opportunity to discuss the merits of the case with the IRS.

Mr. Lambert sent an email to Mr. Gordon on December 16, 2014, explaining our request for a teleconference, which stated as follows:

David,

Thank you for speaking with me and Robert Schultz [sic] today. The purpose of our call to you is that we believe Mr. Schultz should have an

opportunity to make a presentation regarding the computation of the penalty before the penalty is assessed. There is no reason why we cannot sit down and discuss the facts prior to assessment.

We intend to show that Mr. Schultz had no income from the activity (and we believe the government is already in possession of documents that would show this). Accordingly, the penalty amount against him is capped by Section 6700 at zero, and we do not believe that the government can assess a higher penalty in good faith without reviewing the facts regarding Mr. Schultz's income (or lack thereof) from the activity.

It is unfair to require Mr. Schultz to pay 15% of some higher penalty amount before he can have an opportunity to even discuss the issue with the government.

We do not want an assessment against Mr. Schultz to occur while we wait to schedule a meeting with your supervisor, so we request that a hold be placed on the account until we have a chance to discuss the matter with your supervisor.

Thank you for your attention to this matter.

Sam

Mr. Gordon stated during the teleconference that the IRS would assess pursuant to Section 6700 an amount of \$225,000 against me, that after the amount was assessed, I would receive a notice, and that after receipt of the notice I would have 30 days to pay 15% of one penalty (\$150) and file a refund claim.

It was significant to me and Mr. Lambert that the IRS believed that I would only need to pay 15% of one of the \$1,000 penalties in order to file a refund claim, so Mr. Lambert asked Mr. Gordon to repeat that particular instruction. Mr. Gordon repeated it.

On March 5, 2015, my attorney Mr. Lambert received a Notice CP-15 from the IRS assessing \$225,000 against me, just as Mr. Gordon explained would happen.

I then sent \$1,000 to the IRS in Fresno, CA and Mr. Lambert filed a claim for refund on my behalf with the IRS in Andover, MA.

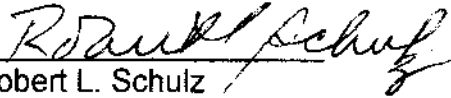
In November 2015, pursuant to Sections 6700 and 6703 of the Internal Revenue Code, I filed a lawsuit in the U.S. District Court, Norther Division (1:15-cv-1299), asking the Court to determine the amount of the penalty to be zero. The matter is pending.

In view of the above, I respectfully request:

- a reconsideration of the agency's decision not to give any consideration to my claim for refund, and

- on reconsideration and review of my claim for refund, a determination that the penalty is zero.

Very truly yours,

  
Robert L. Schulz

CC: Mr. Samuel Lambert, Esq.  
Ray, Quinney & Nebeker PC  
36 So. State Street Suite 1400  
Salt Lake City, UT 84111-1451

Mr. David Gordon  
Internal Revenue Agent  
I.D. Number: 0693427  
Internal Revenue Service  
Washington, DC 20224

Hon. Brenda K. Sannes  
U.S. District Court Judge  
Northern District of New York  
James M. Hanley Federal Building  
100 S. Clinton St.  
Syracuse, NY 13261

Richard Tartunian  
United States Attorney  
For the Northern District of New York  
U.S. Courthouse  
445 Broadway  
Albany, NY

Greg Seador  
CTS, Northern Region  
U.S. Department of Justice  
P.O. Box 55  
Ben Franklin Station  
Washington, D.C. 20044  
Direct Line 202-307-2182

**IRS**Department of the Treasury  
Internal Revenue Service

IRS, STOP 6525

KANSAS CITY MO 64999-0025

In reply refer to: 0342876785

Apr. 28, 2016 LTR 916C 0

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BODC: WI

ROBERT L SCHULZ  
2458 RIDGE RD  
QUEENSBURY NY 12804

Kind of tax: Individual  
Date claims received: Aug. 10, 2015  
Tax periods: Dec. 31, 2003

Dear Taxpayer:

If you were assessed a penalty under section 6700 you may file a claim for refund upon paying 15% of the penalty if you had done so within 30 days from the date of notice and demand. Otherwise, your claim must be filed within 2 years from the date you have paid the penalty in full. Because only \$1,000.00 has been paid, your claim cannot be given consideration.

Your current balance for the tax period ended Dec. 31, 2003 is \$232,578.82, which includes interest and applicable penalties figured to May 19, 2016. We will continue to charge interest and applicable penalties until you pay your balance in full.

#### PAYMENT OPTIONS

##### PAY NOW ELECTRONICALLY

We offer free payment options to securely pay your bill directly from your checking or savings account. When you pay online or from your mobile device, you can:

- Receive instant confirmation of your payment
- Schedule payments in advance
- Modify or cancel a payment before the due date

You can also pay by debit or credit card for a small fee. To see all of our payment options, visit [www.irs.gov/payments](http://www.irs.gov/payments).

##### PAYMENT PLANS

If you can't pay the full amount you owe, pay as much as you can now and make arrangements to pay your remaining balance. Visit [www.irs.gov/paymentplan](http://www.irs.gov/paymentplan) for more information on installment agreements and online payment agreements. You can also call us at 1-800-829-0922 to discuss your options.

##### OFFER IN COMPROMISE

An offer in compromise allows you to settle your debt for less than the full amount you owe. If we accept your offer, you can pay with

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ROBERT L SCHULZ  
2458 RIDGE RD  
QUEENSBURY NY 12804

either a lump sum cash payment plan or periodic payment plan. To see if you qualify, use the Offer in Compromise Pre-Qualifier tool on our website. For more information, visit [www.irs.gov/offers](http://www.irs.gov/offers).

**ACCOUNT BALANCE AND PAYMENT HISTORY**

For information on how to obtain your current account balance or payment history, go to [www.irs.gov/balancedue](http://www.irs.gov/balancedue).

If you mail a payment, make your check or money order payable to the United States Treasury and provide on each payment your:

- Name
- Address
- Taxpayer identification number
- Daytime telephone number
- Tax period
- Tax form

You can get any of the forms or publications you need from our website at [www.irs.gov/formspubs](http://www.irs.gov/formspubs) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you have questions, you can call us at 1-800-829-0922.

If you prefer, you can write to us at the address shown at the top of the first page of this letter.

When you write, include this letter and provide in the spaces below, your telephone number with the hours we can reach you. Keep a copy of this letter for your records.

Telephone number (    ) \_\_\_\_\_ Hours \_\_\_\_\_

Thank you for your cooperation.

A copy of this letter and any referenced enclosures have been forwarded to your authorized representative(s).

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ROBERT L SCHULZ  
2458 RIDGE RD  
QUEENSBURY NY 12804

Sincerely yours,



Jacquelyne Yarbrough  
Manager, Accounts Management

Enclosures:  
Copy of this letter  
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\* Domestic only

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FROM:

R. SCHULZ  
2458 12.09E RD  
Queensbury, NY. 12804



TO:

HON. BRENDA STANNES  
U.S. DISTRICT COURT Judge  
James M. HANNEY FEEB BLDG  
100 S. CLINTON ST.  
SYRACUSE, N.Y. 13261

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